
Government of the District of Columbia



Department of Housing and Community Development

Testimony of
Jalal Greene
Director

Bill 16-679
“Fiscal Year 2007 Budget Request Act of 2006”

Committee on Economic Development
The Honorable Sharon Ambrose, Chair
Council of the District of Columbia

Wednesday, April 5, 2006

John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004
10:00 A.M.

GOOD AFTERNOON, CHAIRPERSON AMBROSE AND MEMBERS OF THE COMMITTEE ON ECONOMIC DEVELOPMENT. I AM JALAL GREENE, DIRECTOR OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD OR THE DEPARTMENT). HERE AT THE TABLE WITH ME TODAY ARE GEORGE DINES, AGENCY FISCAL OFFICER; AND VICTOR SELMAN, CHIEF OPERATING OFFICER; WHO WILL ASSIST IN RESPONDING TO YOUR QUESTIONS.

I AM PLEASED TO BE HERE TO TESTIFY IN SUPPORT OF MAYOR ANTHONY A. WILLIAMS' FISCAL YEAR 2007 (FY 2007) PROPOSED BUDGET REQUEST FOR THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT. I WILL BE DISCUSSING THE MANY OPPORTUNITIES WE WILL ENCOUNTER IN FY 2007, AND HOW WE PLAN TO USE THE DEPARTMENT'S FY 2007 BUDGET RESOURCES.

THE STATE OF HOUSING IN THE DISTRICT IS SUCH THAT MANY LOW-TO-MODERATE INCOME RESIDENTS ARE FINDING IT DIFFICULT TO FIND HOUSING. THE BUDGET RESOURCES FOR FY 2007 WILL BE USED TO INCREASE THE PRODUCTION OF AFFORDABLE HOUSING AND TO IMPROVE THE QUALITY OF LIFE FOR LOW AND MODERATE INCOME RESIDENTS. WE ACCOMPLISH OUR MISSION BY FOCUSING ON THREE GENERAL AREAS:

- **PRESERVING AFFORDABLE HOUSING;**
- **MAXIMIZING HOME OWNERSHIP OPPORTUNITIES; AND**
- **SUPPORTING NEIGHBORHOOD REVITALIZATION.**

OPPORTUNITIES

THE AGENCY EXCEEDED ITS GOALS IN FY 2005 AND WE ARE MAINTAINING THAT MOMENTUM THROUGH FY 2006. IN FY 2007, OUR BUDGET RESOURCES WILL BE FOCUSED ON THREE KEY OPPORTUNITIES:

- ✓ **FIRST, WE ARE COMING UP WITH SMART IDEAS TO INCREASE THE PRODUCTION OF AFFORDABLE HOUSING;**
- ✓ **SECOND, WE PLAN TO STRENGTHEN OUR HOMEOWNERSHIP PROGRAMS TO BETTER ASSIST RESIDENTS IN BECOMING FIRST-TIME HOMEBUYERS.**
- ✓ **AND THIRD, WE WILL CONTINUE TO SERVE AS A CATALYST FOR REVITALIZATION IN UNDERSERVED DISTRICT NEIGHBORHOODS.**

THE DEPARTMENT'S FY 2007 BUDGET AND PLANS ARE IN LINE WITH THE MAYOR'S MAJOR INITIATIVES, INCLUDING TARGETED INVESTMENT AREAS, NEW COMMUNITIES AND GREAT STREETS.

FY 2007 BUDGET REQUEST

DHCD REQUESTS THE COUNCIL'S APPROVAL OF ITS PROPOSED GROSS BUDGET FOR FY 2007. THE REQUEST IS FOR \$224,290,038, WHICH IS A NET INCREASE OF \$13.6 MILLION, OR 6.4 PERCENT, OVER THE FY 2006 APPROVED GROSS BUDGET. THIS INCLUDES 145 FULL-TIME EQUIVALENT (FTE) POSITIONS, AN ADDITIONAL 10 FTE POSITIONS OVER FY 2006.

THE TOTAL FY 2007 PROPOSED GROSS BUDGET INCLUDES THREE (3) DIFFERENT SOURCES OF FUNDS: FEDERAL, LOCALLY APPROPRIATED AND OTHER (O-TYPE FUNDS):

SOURCE OF FUNDS	FY 2007 PROPOSED BUDGET	%
1. FEDERAL (FROM HUD) <ul style="list-style-type: none"> ▪ COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) - \$84,322,258 ▪ HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) - \$10,421,694 ▪ EMERGENCY SHELTER GRANT (ESG) - \$821,555 ▪ LEAD HAZARD CONTROL GRANT - \$1,203,817 ▪ LEAD HAZARD REDUCTION DEMONSTRATION GRANT - \$1,000,000 	\$97,769,324	44%
2. LOCALLY APPROPRIATED	\$2,185,867	1%
3. OTHER (O-TYPE) <ul style="list-style-type: none"> ▪ HPAP REPAYMENT - \$6,124,215 ▪ LAND ACQUISITION FOR HOUSING DEVELOPMENT OPPORTUNITIES (LAHDO) - \$416,000 ▪ SINGLE FAMILY REHAB PROGRAM - \$400,000 ▪ LOW INCOME HOUSING TAX CREDIT (LIHTC) - \$1,011,689 ▪ HOME AGAIN - \$671,784 ▪ HOUSING PRODUCTION TRUST FUND (HPTF) - \$115,665,157 ▪ PORTAL SITE \$46,000 	\$124,334,845	55%
DHCD FY 2007 TOTAL	\$224,290,038	100%

FIRST, THE FEDERAL SHARE OF THE BUDGET:

IN THIS YEAR'S BUDGET REQUEST, FEDERAL FUNDS MAKE UP ONLY 44% OF THE TOTAL DHCD GROSS BUDGET. THIS CONTINUES THE TREND OVER THE PAST FEW YEARS THAT FEDERAL FUNDS MAKE UP A SMALLER SHARE OF THE OVERALL BUDGET. THE FEDERAL BUDGET THIS YEAR IS \$97.8 MILLION. THIS IS AN INCREASE OF \$4.4 MILLION IN FEDERAL FUNDING FROM THE APPROVED BUDGET OF FY 2006. THIS INCREASE IS DUE TO THE INCLUSION OF CARRY-OVER AMOUNTS. THE ACTUAL AMOUNT OF NEW ENTITLEMENT FUNDING HAS DECREASED.

CDBG & HOME

THE TWO LARGEST SOURCES OF THESE FEDERAL FUNDS ARE: THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM, WHICH CONTRIBUTES \$84.3 MILLION TO THE BUDGET; AND THE HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM, WHICH CONTRIBUTES \$10.4 MILLION.

CDBG FUNDS INCLUDE:

- **\$19.3 MILLION IN NEW ENTITLEMENT FUNDS, WHICH IS A REDUCTION OF \$2.0 MILLION FROM FY 2006;**
- **\$12 MILLION IN PROJECTED PROGRAM INCOME;**
- **\$14 MILLION IN CARRY-OVER OBLIGATIONS; AND**
- **\$39 MILLION IN CARRY-OVER AUTHORITY FROM FY 2006. THIS INCLUDES \$15 MILLION IN PROJECTED**

**CARRY-OVER FOR THE NATIONAL CAPITAL
REVITALIZATION CORPORATION (NCRC).**

**THE BUDGET ALLOWS US TO CARRY-OVER UP TO \$35.5
MILLION; HOWEVER, BASED ON FY 2006 SPENDING
PROJECTIONS, WE ANTICIPATE THAT THE CARRY-OVER
AMOUNT WILL BE BELOW \$28 MILLION.**

HOME FUNDS INCLUDE:

- **\$8.7 MILLION IN NEW ENTITLEMENT FUNDS;**
- **\$245,000 IN PROJECTED PROGRAM INCOME; AND**
- **\$1.4 MILLION IN CARRY-OVER AUTHORITY.**

**THE DISTRICT RECEIVES TWO OTHER ENTITLEMENT
GRANTS, THE EMERGENCY SHELTER GRANT AND THE
HOUSING OPPORTUNITIES FOR PERSONS WITH HIV/AIDS
GRANT (HOPWA).**

EMERGENCY SHELTER GRANT (ESG)

**THE FY 2007 EMERGENCY SHELTER GRANT BUDGET IS
\$821,555. THE DEPARTMENT MANAGES THIS GRANT
THROUGH PROJECTS IMPLEMENTED BY THE COMMUNITY
PARTNERSHIP FOR THE PREVENTION OF HOMELESSNESS
("PARTNERSHIP"). THE PARTNERSHIP IS A PART OF THE
OVERALL HOMELESSNESS PREVENTION PLAN BY THE**

DEPUTY MAYOR FOR CHILDREN, YOUTH, FAMILIES AND ELDERS.

HOPWA IS ADMINISTERED BY THE DEPARTMENT OF HEALTH'S HIV/AIDS ADMINISTRATION AND IS NOT INCLUDED IN DHCD'S BUDGET. HOWEVER, DHCD RECEIVES THE GRANT AND REPORTS ON IT IN THE ACTION PLAN.

OUR FEDERAL ENTITLEMENT FUNDING IS TIED TO THE PRIORITIES AND PROGRAMS CONTAINED IN THE DISTRICT'S "CONSOLIDATED PLAN". THE CONSOLIDATED PLAN, A FIVE-YEAR PLAN, INDICATES THE ACTIVITIES THE DISTRICT GOVERNMENT WILL UNDERTAKE TO MEET THE CITY'S PRIORITIES FOR HOUSING AND COMMUNITY DEVELOPMENT NEEDS OF LOW-TO MODERATE-INCOME RESIDENTS. IN EACH YEAR OF THE FIVE-YEAR PERIOD, THE DISTRICT APPLIES TO HUD (THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT) FOR THE FOUR (4) ENTITLEMENT GRANTS AND PROVIDES AN ANNUAL ACTION PLAN, SETTING FORTH THE PROPOSED BUDGET AND ACTIVITIES FOR THAT YEAR.

THE DRAFT OF THE FY 2007 ANNUAL ACTION PLAN IS CURRENTLY BEING SUBMITTED TO COUNCIL FOR APPROVAL. AFTER APPROVAL, IT WILL BE SUBMITTED TO HUD NO LATER THAN AUGUST 15, 2006.

LEAD-BASED PAINT HAZARD REDUCTION GRANTS

IN ADDITION TO ENTITLEMENT GRANTS, DHCD RECEIVED TWO COMPETITIVE HUD GRANTS FOR FY 2004-2007 FOR LEAD HAZARD CONTROL AND REDUCTION. THE AGENCY HAS BUDGETED \$2.2 MILLION IN FY 2007 TO SUPPORT LEAD SAFE WASHINGTON.

THE MAJORITY OF DHCD'S FUNDING DOES NOT COME FROM FEDERAL FUNDING. THE NON-FEDERAL SHARE OF DHCD'S FY 2007 BUDGET IS APPROXIMATELY 56% OF THE TOTAL PROPOSED GROSS BUDGET.

IT INCLUDES:

- **LOCAL FUNDS TOTALING \$2.2 MILLION; AND**
- **SPECIAL PURPOSE REVENUE FUNDS TOTALING \$124 MILLION.**

LOCALLY APPROPRIATED FUNDS

LOCALLY APPROPRIATED MONIES ARE USED PRIMARILY TO FUND AGENCY OVERHEAD AND CERTAIN ACTIVITIES THAT ARE NOT ELIGIBLE UNDER FEDERAL SOURCES.

SPECIAL PURPOSE REVENUE FUNDS

SPECIAL PURPOSE REVENUE FUNDS, OR "O-TYPE FUNDING, INCLUDE:

- **THE HOUSING PRODUCTION TRUST FUND OF \$116 MILLION;**

- **HPAP REPAYMENTS OF \$6.1 MILLION THAT ARE RECYCLED INTO THE HOME PURCHASE ASSISTANCE PROGRAM (HPAP) AND OTHER ACQUISITION AND REHABILITATION ACTIVITIES OF THE DEPARTMENT; AND**
- **\$671,000 FOR THE OPERATION OF THE HOME AGAIN PROGRAM.**

<p>SEIZING THE FY 2007 OPPORTUNITIES THROUGH DHCD'S BUDGET AND PROGRAMS</p>
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AT THE START OF MY TESTIMONY, I OUTLINED A FEW OF DHCD'S OPPORTUNITIES FOR FY 2007. I WOULD NOW LIKE TO DISCUSS OUR APPROACHES TO TAKING ADVANTAGE OF THESE OPPORTUNITIES IN MORE DETAIL.

OPPORTUNITY 1:

FIRST, WE WILL CONTINUE TO IMPLEMENT SMART IDEAS TO INCREASE THE PRODUCTION OF AFFORDABLE HOUSING.

DHCD ACTIONS:

INTERNAL IMPROVEMENTS IN OUR REQUEST FOR PROPOSALS (OR RFP) PROCESS, SUCH AS BETTER TRAINING, OUTREACH AND EDUCATION, RESULTED IN STRONGER APPLICATIONS FROM A LARGER POOL OF APPLICANTS. IN THE LAST RFP, 23 APPLICATIONS WERE SELECTED FOR

FURTHER UNDERWRITING, REPRESENTING \$95 MILLION IN REQUESTED FUNDING. THIS DEMONSTRATED CAPACITY FOR AFFORDABLE HOUSING PROJECTS, BUT IT ALSO POINTED OUT THAT CERTAIN POPULATIONS ARE NOT BEING MET THROUGH THE RFP PROCESS.

THEREFORE, THE DEPARTMENT ALSO HAS CREATED “DEMONSTRATION INITIATIVES” THAT TARGET INITIALLY THREE DISTINCT, UNDERSERVED POPULATIONS: TEENAGE MOTHERS WHO ARE LEAVING FOSTER CARE, INCOME-ELIGIBLE RETAIL WORKERS AND LOW-INCOME ARTISTS.

WE WILL DEVOTE \$164 MILLION OF THE FY 2007 BUDGET TO FINANCE THE REHABILITATION OR NEW CONSTRUCTION OF NEARLY 2,000 AFFORDABLE HOUSING UNITS.

WE WILL ALSO USE EMERGENCY SHELTER GRANT FUNDS TO PROVIDE HOMELESSNESS PREVENTION AND EMERGENCY ASSISTANCE GRANTS TO 190 INDIVIDUALS AND FAMILIES.

IN ADDITION, WE WILL PROVIDE OVER \$2 MILLION IN CAPITAL DOLLARS TO FUND INFRASTRUCTURE PROJECTS SUPPORTING OVER 1,000 UNITS OF AFFORDABLE HOUSING AT THE ARTHUR CAPPER /CARROLLSBURG AND EAST GATE HOPE VI PROJECTS OF THE DC HOUSING AUTHORITY.

OPPORTUNITY 2:

SECOND, TO MAXIMIZE HOMEOWNERSHIP OPPORTUNITIES.

DHCD ACTIONS:

AS YOU KNOW, THE DRAMATIC INCREASE IN THE SALE PRICES OF HOMES HAS MADE IT A CRITICAL NECESSITY FOR DHCD TO INCREASE ITS ASSISTANCE TO FIRST-TIME HOMEBUYERS IN THE DISTRICT. WE ARE CURRENTLY IN THE PROCESS OF MODIFYING OUR HOMEBUYER ASSISTANCE PROGRAMS, BOTH TO INCREASE THE LEVEL OF DOWNPAYMENT AND CLOSING COST ASSISTANCE AND TO PROVIDE MORE FAVORABLE TERMS FOR THAT ASSISTANCE. THESE ACTIONS WILL BETTER ASSIST LOW- AND MODERATE-INCOME HOMEBUYERS AS THEY SEEK TO PURCHASE HOMES.

THE DEPARTMENT WILL SPEND \$16.5 MILLION IN FY 2007 ON HOMEBUYER ASSISTANCE PROGRAMS, TARGETED TO ASSIST AT LEAST 240 FIRST-TIME HOMEBUYERS NEXT YEAR.

WE ALSO ANTICIPATE CONTINUING A NEW RESOURCE FOR INCOME-ELIGIBLE FIRST-TIME HOMEBUYERS IN FY 2007, NAMELY, THE OPPORTUNITY FOR FIRST TRUST FINANCING AT A REDUCED INTEREST RATE.

WE HOPE THAT THESE PROGRAMS USED TOGETHER WILL GREATLY RESTORE THE DEPARTMENT'S ABILITY TO ASSIST

LOW- AND MODERATE-INCOME HOUSEHOLDS TO REALIZE THE OPPORTUNITY FOR HOMEOWNERSHIP IN THE DISTRICT OF COLUMBIA.

THE DEPARTMENT ALSO PLANS TO INCREASE SIGNIFICANTLY ASSISTANCE TO TENANTS WHO ARE THREATENED WITH DISPLACEMENT BECAUSE OF THE SALE OF THEIR PROPERTIES. FUNDING TO OUR TENANT PURCHASE PROGRAMS WILL INCREASE FROM \$2.7 MILLION IN FY 2006 TO \$10.6 MILLION IN FY 2007, NEARLY A 300 PERCENT INCREASE. THESE FUNDS ARE TARGETED TO ASSIST TENANT ASSOCIATIONS REPRESENTING 1,700 TENANTS WITH TECHNICAL ASSISTANCE, AND TO ASSIST AT LEAST 150 SUCH TENANTS WITH THE RESOURCES NECESSARY TO ACQUIRE THE PROPERTIES IN WHICH THEY RESIDE.

FINALLY, LOW-TO-MODERATE INCOME HOMEOWNERS WILL CONTINUE TO RECEIVE ASSISTANCE WITH NEEDED HOME REPAIRS THROUGH DHCD'S SINGLE FAMILY RESIDENTIAL REHABILITATION PROGRAMS. IN FY 2007, ALMOST \$5 MILLION WILL BE DEVOTED TO SERVE AT LEAST 60 HOUSEHOLDS THROUGH THESE SINGLE-FAMILY INITIATIVES, WHICH INCLUDE PROGRAMS FOR ROOFING REPAIRS AND REPLACEMENT, MODIFICATIONS FOR HANDICAPPED ACCESSIBILITY, AND REPLACEMENT OF LEAD WATER SERVICE LINES. IN ADDITION, WE ANTICIPATE THAT

AT LEAST 100 HOUSING UNITS WILL RECEIVE CLEARANCES AS LEAD-SAFE IN FY 2007.

OPPORTUNITY 3:

FINALLY, WE WILL CONTINUE TO EXPAND OUR EFFORTS TO REVITALIZE UNDERSERVED NEIGHBORHOODS.

DHCD ACTIONS:

WE REALIZE THAT HOUSING ALONE DOES NOT CREATE A VIBRANT “NEIGHBORHOOD”, AND THAT COMMERCIAL AND COMMUNITY ACTIVITIES ARE ESSENTIAL COMPONENTS IN MAKING NEIGHBORHOODS GREAT PLACES TO LIVE AND WORK. WE SUPPORT SEVERAL INITIATIVES THAT FOCUS ON IMPROVING OUR NEIGHBORHOODS. THE DEPARTMENT HAS PROVIDED FUNDING FOR NUMEROUS COMMUNITY FACILITIES, INCLUDING THE CAPITAL AREA FOOD BANK AND THE ARC. WE WILL CONTINUE TO FUND SUCH PROJECTS IN FY 2007.

ADDITIONALLY, WE WILL SOON AWARD GRANTS TOTALING NEARLY \$1 MILLION IN FUNDING TO FOUR (4) COMMUNITY ORGANIZATIONS FOR CRIME REDUCTION AND PREVENTION ACTIVITIES IN “HOT SPOT” AREAS OF THE DISTRICT. DHCD WILL ALSO CONTINUE TO SUPPORT THE DISTRICT’S DIVERSE NEIGHBORHOODS BY PROVIDING GRANTS TO COMMUNITY-BASED AGENCIES THAT ENABLE THEM TO:

- **PROVIDE TECHNICAL ASSISTANCE TO EXISTING SMALL BUSINESSES;**
- **DEVELOP STOREFRONT FAÇADE IMPROVEMENTS IN EMERGING COMMERCIAL CORRIDORS, ESPECIALLY IN THE “GREAT STREETS” COMMUNITIES; AND TO**
- **PROVIDE COMPREHENSIVE HOUSING COUNSELING SERVICES BOTH TO INDIVIDUAL HOUSEHOLDS AND TO TENANT AND COOPERATIVE ASSOCIATIONS.**

HOUSING PRODUCTION TRUST FUND AND INITIATIVES

THE DEPARTMENT WILL CONTINUE TO USE THE HOUSING PRODUCTION TRUST FUND (HPTF) AS A PRIMARY SOURCE OF FUNDS TO ADDRESS THE DISTRICT’S AFFORDABLE HOUSING CRISIS. IN FY 2005, DHCD SPENT \$31.3 MILLION IN HOUSING PRODUCTION TRUST FUND (HPTF) DOLLARS, WHICH IS AN INCREASE OF NEARLY 200 PERCENT OVER FY 2004.

DHCD IS REQUESTING APPROVAL IN THE FISCAL YEAR 2007 HOUSING PRODUCTION TRUST FUND BUDGET FOR \$115.6 MILLION, A DECREASE OF \$749,000 FROM THE FY 2006 APPROVED BUDGET. THIS PROPOSED LEVEL IS SUPPORTED BY AN ANTICIPATED CARRY-OVER REVENUE FUND BALANCE OF \$54.7 MILLION FROM FY 2006 AND FY 2007 ANTICIPATED REVENUE OF \$60.9 MILLION FROM TAX RECEIPTS.

THE DEPARTMENT PLANS TO SPEND TRUST FUND DOLLARS ON SEVERAL INITIATIVES THAT THE DEPARTMENT WILL CONTINUE IN FY 2007 TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE USE OF THE FUND.

HPTF FUND INITIATIVES:

DHCD'S SPENDING PLAN CALLS FOR TRUST FUND MONIES TO BE USED FOR A VARIETY OF ACTIVITIES, INCLUDING TENANT AND THIRD-PARTY NONPROFIT PURCHASE AND REHABILITATION OF MULTI-FAMILY BUILDINGS AND THE DEVELOPMENT OF ELDERLY AND SPECIAL NEEDS HOUSING.

WE WILL ISSUE TWO RFPS IN FY 2007, AND EACH WILL HAVE \$25 MILLION FROM THE HOUSING PRODUCTION TRUST FUND. THE DEPARTMENT WILL FUND OUR SITE ACQUISITION FUNDING INITIATIVE, OR SAFI, THROUGH LOAN REPAYMENTS AND/OR ANY FUNDING THAT IS NOT ABSORBED THROUGH THE RFP PROCESS.

THE DEPARTMENT WILL ALSO WORK WITH THE ADMINISTRATION TO IMPLEMENT THE "NEW COMMUNITIES" INITIATIVE, INCLUDING THE SECURITIZATION OF UP TO \$12 MILLION FROM THE TRUST FUND.

OPERATIONAL ACTIVITIES:

IN ORDER TO TAKE ADVANTAGE OF THE OPPORTUNITIES BEFORE US, THE DEPARTMENT WILL CONTINUE TO RAISE ITS LEVEL OF PERFORMANCE AND SERVICE BY IMPLEMENTING SEVERAL OPERATIONAL ACTIVITIES. THEY INCLUDE:

- 1. CONTINUING TO IMPLEMENT RECOMMENDATIONS FROM THE HOUSING AND COMMUNITY DEVELOPMENT REFORM ADVISORY COMMISSION;**
- 2. CREATING AN ACQUISITION AND DISPOSITION UNIT THAT WILL INCLUDE, BUT NOT BE LIMITED TO, THE HOME AGAIN AND HOMESTEAD PROGRAMS;**
- 3. CONTINUING TO INCREASE OUR COMMUNITY OUTREACH EFFORTS;**
- 4. PROVIDING INNOVATIVE TRAINING OPPORTUNITIES FOR THE COMMUNITY THAT WILL INFORM AND EDUCATE RESIDENTS ABOUT THE WORK OF OUR DEPARTMENT;**
- 5. INCREASING MONITORING ALL OF THE DEPARTMENT'S REAL ESTATE AND FINANCIAL ASSETS;**
- 6. BEGINNING TO IMPLEMENT A RECORDS MANAGEMENT SYSTEM THAT WILL BETTER ENABLE THE DEPARTMENT TO MEET COMPLIANCE STANDARDS;**
AND
- 7. WORKING COLLECTIVELY WITH COMMUNITY-BASED AND FAITH-BASED ORGANIZATIONS, ADVISORY**

**NEIGHBORHOOD COMMISSIONS (ANC'S), AND OTHER
STAKEHOLDERS TO BETTER SERVE THE COMMUNITY.**

**CHAIRPERSON AMBROSE, THROUGH PRUDENT
MANAGEMENT OF ITS FUNDS, THE DEPARTMENT WILL
CONTINUE TO PLAY A MAJOR ROLE IN BUILDING GREAT
NEIGHBORHOODS THAT BENEFIT EVERY DISTRICT
RESIDENT AND ULTIMATELY CREATE A CAPITAL CITY TO BE
EMULATED. WE SEEK YOUR APPROVAL OF DHCD'S
PROPOSED BUDGET AS A PART OF THE MAYOR'S FY 2007
PROPOSED GROSS BUDGET REQUEST.**

**THIS CONCLUDES MY FORMAL TESTIMONY, CHAIRPERSON
AMBROSE. MY STAFF AND I WOULD BE PLEASED TO
ANSWER ANY QUESTIONS YOU AND MEMBERS OF YOUR
COMMITTEE MAY HAVE. THANK YOU.**